

Fair Political Practices Commission Memorandum

To: Chairman Johnson, Commissioners Hodson, Huguenin, Leidigh, and Remy
From: Whitney Barazoto, Legislative Coordinator
Subject: Legislative Report
Date: April 23, 2007

Three of our sponsored bills have passed their first policy committee and are moving through the legislative process; they are AB 1361 (limiting requests for civil action), SB 298 (raising the major donor threshold), and SB 512 (omnibus committee bill). SB 298 has also passed the Senate and is now awaiting assignment to its first committee in the Assembly.

April 27 is the last day for house-of-origin policy committees to hear and pass bills with any fiscal impact. Bills with no fiscal impact must pass through its first house's policy committee by May 11. AB 473 (filing of campaign statements), our fourth sponsored bill, has no fiscal impact and will be heard in the Assembly Elections Committee on May 1.

Bills Amending the Political Reform Act		
Bill # (Author)	Title	Date Introduced/Amended

AB 65 (Dymally) PRA: legislative caucuses A-04-12-07

This bill would allow a Senator or Assembly Member to contribute campaign funds to recognized legislative caucuses, as defined by the bill. Members may contribute these funds to caucuses of which he or she is a member. Expenditures by each caucus would be required to be reasonably related to a legislative or governmental purpose. Contributions received and expenditures made by each caucus would have to be reported quarterly by the caucus to the Chief Clerk of the Assembly, the Secretary of the Senate, or both.

Status: Passed Assembly Elections Committee, now in Assembly Appropriations

AB 78 (Torrico) PRA: interest on campaign accounts A-04-10-07

This bill would require all committees regulated under the Political Reform Act to establish campaign accounts and report certain information on those accounts to the Commission. It would require the interest earned on the accounts of candidate-controlled committees to be transferred to the State Treasury, which would continuously appropriate the funds to the Commission for carrying out of its duties under the Act. This appropriation would be in addition to those appropriations already provided to the Commission in the Act. The interest from accounts that relate to candidate-controlled ballot measure campaigns would go into a sub-account to be spent solely for regulating ballot measure campaigns. The bill would allow committees to pay an opt-out fee of \$5,000 to the Commission in lieu of calculating and transferring the interest to the State Treasury.

Status: Passed Assembly Elections Committee, now in Assembly Appropriations

AB 299 (Tran) Maintenance of the Codes I-02-09-07
This bill makes technical changes to multiple code sections at the recommendation of Legislative Counsel. The sections of the Political Reform Act that are amended by this bill include Government code sections 85316 and 89513. The changes are minor and technical.
Status: Passed Assembly, in Senate

AB 357 (Mendoza) PRA: legal funds I-02-14-07
This bill would allow legal defense funds that are not subject to contribution limits to be used to pay attorney's fees and costs related to election recounts and election contests. It also specifies that these expenses would be included in the list of expenditures that are exempt from voluntary expenditure limits.
Status: On Assembly Floor

AB 404 (Ruskin) PRA: advertisement disclosure I-02-15-07
This bill would require that advertisements paid for by independent expenditures expressly state that the ad was not authorized by a candidate or a committee controlled by a candidate.
Status: Assembly Appropriations Committee

AB 473 (Adams) PRA: filing campaign statements A-03-26-07
This Commission-sponsored bill would eliminate the requirement to file copies of campaign statements with a committee's county of domicile and reduce the requirement to file two copies of reports with local filing officers to one copy.
Status: Assembly Elections Committee
Position: Sponsor

AB 517 (Horton) PRA: restrictions on contributions I-02-21-07
This bill would prohibit contributions to candidates for elective state office during the following time periods: 1) 30 days prior to September 1 of an even-numbered year, 2) 30 days prior to the date that the Legislature adjourns for an interim recess in an odd-numbered year, and 3) the entire time that the Legislature is convened for a special session during interim recess occurring between the first and second year of a two-year session.
Status: Assembly Elections Committee

AB 583 (Hancock) PRA: Clean Money Act I-02-21-07
This bill would enact the California Clean Money and Fair Elections Act of 2006, which would authorize eligible candidates to obtain public funds, according to specified procedures and requirements, to campaign for elective office. Under the bill, the Commission would be responsible for the administration of the Clean Money Act. It would also create the Clean Money Fund to provide funds for the Act and would transfer \$0.01 per day, per California resident 18 years of age or older, from the General Fund to the Clean Money Fund beginning on July 1, 2008 to fund the public financing provisions. Funding for the administrative and enforcement costs of the Act would be subject to appropriation by the Legislature. The provisions would be submitted to the voters for approval at the June 3, 2008, statewide primary election.
Status: Passed Assembly Elections Committee, now in Assembly Appropriations

AB 773 (Blakeslee) Elections: absentee ballots A-04-09-07
This bill was “gutted and amended” to now consist of language that amends the Elections Code and no longer amends provisions relating to the business of the Commission. In its previous form, AB 773 made technical changes to the contribution limit provisions of the Political Reform Act and appeared to be a “spot” bill.¹ It will be removed from this list after this report.
Status: Passed Assembly Elections Committee, now in Assembly Appropriations

AB 1361 (Karnette) PRA: civil actions A-04-09-07
This Commission-sponsored bill would limit the number of 120-day demands that may be filed by an individual or group to 50 per year and would authorize a court to permit additional filings under specified circumstances. The bill would also specify that a civil action by the individual or group is prohibited if the Commission issues an administrative order or publishes a declaration of no violation. It would require the individual or group to notify the respondent when a demand is made. The bill would also require a court to consider Commission rules and regulations in determining a judgment amount in cases brought under the civil action provisions.
Status: Passed Assembly Elections Committee, now in Assembly Appropriations
Position: Sponsor

AB 1369 (Adams) PRA: electronic filing of campaign statements I-02-23-07
This bill would require all candidates and committees who file campaign statements under the Political Reform Act in connection with a local government elective office or a local ballot measure to file their campaign statements online or electronically with the Secretary of State.
Status: Passed Assembly Elections Committee, now in Assembly Appropriations

AB 1430 (Garrick) PRA: contribution limits A-04-09-07
Existing law allows local jurisdictions to impose contribution limits and restrictions, but specifies that locally imposed limits may not conflict with provisions that allow payments for communications to individuals and their family members when the individual is a member, employee, or shareholder of an organization. These payments are not considered contributions or expenditures, and the same holds true for payments made by a political party to its registered members, except that political party payments must be disclosed. This bill would specifically identify some types of restrictions imposed by local jurisdictions that would conflict with the member communications provisions in the Political Reform Act.
Status: Assembly Elections Committee

AB 1441 (Garrick) PRA: legal defense funds I-02-23-07
This bill extends to local candidates the ability to open legal defense accounts that is currently allowed for elective state office candidates. The bill provides that contributions to local candidate legal defense accounts may be subject to limits imposed by local ordinance, but the candidate must follow the reporting requirements that currently exist for state candidates.
Status: Passed Assembly Elections Committee, now in Assembly Appropriations

¹ A “spot” bill is a placeholder measure introduced in anticipation of substantive language that may later be amended into the bill.

SB 130 (Battin) FPPC: commissioners A-04-16-07
This bill would provide our Commissioners with annual compensation at the rate currently received by commissioners on the California Medical Assistance Commission (\$50,000) and would specify that the Chairman work in a full-time capacity and the remaining Commissioners be considered part-time.
Status: Senate Elections Committee. (The author has indicated that he will not move forward with this bill.)

SB 131 (Battin) FPPC: confidentiality A-04-16-07
This bill would add a statutory requirement that any communications between the Commission and a respondent regarding the resolution of a violation be treated by the Commission as confidential and not be disclosed to a third party, except that a stipulated order approved by the Commission may be released to the public. The bill provides that a knowing and willful violation of the provision constitutes a misdemeanor and that a violation is also punishable by forfeiture of office or employment and disqualification from ever holding office in the state.
Status: Senate Elections Committee. (The author declined to hear the bill in committee before the policy committee deadline and has indicated he will not move forward with the bill at this time.)

SB 217 (Cogdill) PRA: conflict-of-interest code I-02-09-07
This bill designates the county board of education instead of the county board of supervisors as the code reviewing body for a school district in a multi-district county, a county office of education, a regional occupation center or program, or a school-related joint powers authority located wholly within a single county. The Superintendent of Public Instruction would be the code reviewing body for a county board of education, a county office of education of a county with only a single school district, or a school district of a county with only a single school district. This bill also designates the California Community College Board of Governors as the code reviewing body for all community college districts.
Status: Passed Senate Elections Committee, now in Senate Appropriations

SB 298 (Cogdill) PRA: major donor reporting I-02-15-07
This Commission-sponsored bill would increase the major donor reporting threshold, from \$10,000 to \$30,000. It would also increase the threshold for major donor notification from \$5,000 to \$15,000.
Status: Passed Senate, now in Assembly
Position: Sponsor

SB 381 (Calderon) PRA: co-sponsored event payments I-02-21-07
This bill raises the reporting threshold for payments made at the behest of a candidate for a political, legislative, or governmental purpose that is unrelated to the candidate's candidacy for elective office. (These payments are neither gifts nor contributions to the candidate under the Political Reform Act; rather, they are typically contributions to non-profit groups who involved the candidate in the event or fundraising effort.) This bill would raise the reporting threshold for these payments from \$5,000 to \$7,000 and extend the reporting deadline from 30 days to 90 days after the payment was made. The bill also exempts candidates from this reporting requirement when the candidate's name is merely mentioned in a press release, when the candidate conducts

an interview or public service announcement, or when the candidate's name is listed among multiple names in the same print on a communication.

Status: Passed Senate Elections Committee, now in Senate Appropriations

SB 497 (Ackerman) PRA: electronic filing of SEI's I-02-22-07

This bill would allow a local filing officer the ability to offer or require electronic filing of Statements of Economic Interests (Form 700's).

Status: Senate Elections Committee

SB 512 (Sen. Elect. Com.) PRA: omnibus committee bill I-02-22-07

This Commission-sponsored bill would do the following: 1) amend the definition of "investment" to exclude defined-benefit pension plans, 2) require candidates seeking election to designated positions to file a Statement of Economic Interest since the incumbent is already required to file one, and 3) make other minor technical amendments.

Status: Passed Senate Elections Committee, now in Senate Appropriations

Position: Sponsor

SB 536 (Simitian) PRA: Insurance Commissioner campaigns I-02-22-07

This bill would enact the Insurance Commissioner Election Accountability Act of 2006, which would authorize eligible Insurance Commissioner candidates to obtain public financing from a fund made up of fees collected from insurers, reimbursements, and interest, provided that certain thresholds of public support are shown. The bill would impose responsibility for its administration on the Fair Political Practices Commission, and it provides specified penalties for violations of its provisions. The provisions of this bill that amend the Political Reform Act would be submitted to the voters for approval at the June 3, 2008, statewide primary election.

Status: Senate Banking, Finance, and Insurance Committee

SB 662 (Wiggins) PRA: conflict-of-interest codes A-04-09-07

This bill designates the county board of education instead of the county board of supervisors as the code reviewing body for a school district, a county office of education, a regional occupation center or program, or a school-related joint powers authority located wholly within a single county. (This bill is similar to, but narrower than, SB 217.)

Status: Passed Senate Elections Committee, now on Senate Floor

SB 924 (Perata) Iraq War A-04-09-07

This bill was "gutted and amended" and now consists of language relating to the Iraq War. In its previous form, SB 924 made technical changes to the penalty-of-perjury provision of the Political Reform Act and appeared to be a "spot" bill. It will be removed from this list after this report.

Status: Senate Rules Committee

Bills Not Amending the Political Reform Act		
Bill # (Author)	Title	Date Introduced/Amended
AB 120 (Laird)	2007-08 Budget	I-01-10-07
Assembly budget bill. Status: Assembly Budget Committee		
AB 397 (Adams)	Sales and use taxes: exemption for fuel taxes	A-03-29-07
This bill was “gutted and amended” to now consist of language that amends the Revenue and Taxation Code and no longer amends provisions relating to the business of the Commission. In its previous version, AB 397 would have prohibited a local agency from paying membership dues to an organization that makes monetary contributions to a political campaign, including, but not limited to, a campaign for or against a statewide or local initiative. It will be removed from this list after this report. Status: Assembly Revenue and Taxation Committee		
AB 889 (Lieu)	Metro Green Line Construction Authority	A-04-19-07
This bill creates the Metro Green Line Construction Authority which, among other things, must adopt an administrative code in accordance with the Political Reform Act. Status: Passed Assembly Transportation Committee, now in Assembly Local Government		
AB 933 (Jeffries)	Exempt employee salaries	I-02-22-07
This bill amends the exempt employee salary provisions that set the salaries for multiple agency and department heads, including the Chairperson of the Commission. The bill makes changes to other provisions; it does nothing to change the Commission Chairperson’s salary. Status: Assembly Governmental Organization Committee		
AB 981 (Ma)	High Speed Rail Authority	A-04-19-07
This bill allows the existing High Speed Rail Authority to elect a one or more vice-chairpersons and to elect to employ its own legal staff or contract with state agencies other than the Attorney General, except in certain circumstances, for legal services. Current law requires that the Political Reform Act apply to Authority members; that provision is not amended by this bill. Status: Assembly Transportation Committee		
AB 1678 (De La Torre)	Public officials: conflicts of interest	A-04-09-07
This bill was amended and now consists of language that expressly provides a 4 year statute of limitations provision for violations of Government Code section 1092 (relating to conflicts of interest in government contracting). In its previous version, AB 1678 would have corrected an obsolete cross-reference of a section in the Political Reform Act relating to civil service classification. Status: Assembly Local Government Committee		
HR 1 (De La Torre)	2007-08 Assembly Standing Rules	A-12-04-06
This House Resolution adopts the Rules of the Assembly for the 2007-08 Regular Session and includes, among other things, a reiteration of the rule in Government Code section 81012 which		

allows amendment of the Political Reform Act by 2/3 vote of each house, if the Commission received a copy of the bill in its final form at least 12 days prior to passage in each house.

Status: Adopted by Assembly²

SB 54 (Ducheny)

2007-08 Budget

I-01-10-07

Senate budget bill.

Status: Introduced in Senate

SB 771 (Kuehl)

Stem cell research standards, licensing

A-04-17-07

This bill amends the Health and Safety code relating to the Independent Citizen's Oversight Committee's (ICOC) standards for intellectual property agreements for research award funding. Existing law providing that the ICOC be bound by the Political Reform Act would not be changed by the bill.

Status: Passed Senate Health Committee, now in Senate Judiciary Committee

SB 884 (Lowenthal)

CA Coastal Commission: gift or gratuity

A-04-18-07

This bill was "gutted and amended" to now consist of language that amends the Public Resources Code. The new language would prohibit a California Coastal Commission member from accepting a gift or gratuity from an applicant who seeks approval of a coastal development permit. In its previous form, SB 884 would have, for purposes of lobbying provisions, amended the definition of "administrative action" and "agency official" and "lobbyist" as these terms relate to proceedings before the California Coastal Commission.

Status: Senate Natural Resources Committee

SCA 9 (Ashburn)

Redistricting; term, salary, contribution limits

I-04-16-07

This constitutional amendment would provide 12-year aggregate term limits for members of the California Senate and Assembly. It would prohibit contributions to the Governor and Legislators during certain blackout periods in relation to the state budget and end of legislative session. It would impose additional requirements on legislators and would create a redistricting commission.

Status: Senate Elections Committee

SCR 1 (Scott)

2007-08 Senate and Assembly Joint Rules

C-01-09-07

This Senate Concurrent Resolution adopts the Joint Rules of the Senate and Assembly for the 2007-08 Regular Session and includes, among other things, a requirement that the author of any PRA bill notify the Assembly Chief Clerk or the Secretary of the Senate of the nature of the bill in order for the Assembly Chief Clerk or the Secretary of the Senate to deliver a copy of the bill to the Commission at least 12 days prior to passage in either house per Government Code section 81012.

Status: Adopted by Assembly and Senate, Chaptered (Res. Chapter 2, Statutes of 2007)

² Bills or resolutions shaded in grey have been chaptered or adopted.